

105TH CONGRESS
1ST SESSION

H. R. 2206

IN THE SENATE OF THE UNITED STATES

OCTOBER 7, 1997

Received; read twice and referred to the Committee on Veterans' Affairs

AN ACT

To amend title 38, United States Code, to improve programs of the Department of Veterans Affairs for homeless veterans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veterans Health Pro-
3 grams Improvement Act of 1997”.

4 **SEC. 2. TREATMENT AND REHABILITATION FOR SERIOUSLY**
5 **MENTALLY ILL AND HOMELESS VETERANS.**

6 (a) CODIFICATION AND REVISIONS OF VETERANS
7 HOMELESS PROGRAMS.—Chapter 17 of title 38, United
8 States Code, is amended by adding at the end the follow-
9 ing new subchapter:
10 “SUBCHAPTER VII—TREATMENT AND REHA-
11 BILITATION FOR SERIOUSLY MENTALLY
12 ILL AND HOMELESS VETERANS

13 **“§ 1771. General treatment**

14 “In providing care and services under section 1710
15 of this title to veterans suffering from serious mental ill-
16 ness, including veterans who are homeless, the Secretary
17 may provide (directly or in conjunction with a govern-
18 mental or other entity)—

19 “(1) outreach services;

20 “(2) care, treatment, and rehabilitative services
21 (directly or by contract in community-based treat-
22 ment facilities, including halfway houses); and

23 “(3) therapeutic transitional housing assistance
24 under section 1772 of this title, in conjunction with
25 work therapy under section 1718(a) or (b) of this
26 title and outpatient care.

1 **“§ 1772. Therapeutic housing**

2 “(a) The Secretary, in connection with the conduct
3 of compensated work therapy programs, may operate resi-
4 dences and facilities as therapeutic housing.

5 “(b) The Secretary may use such procurement proce-
6 dures for the purchase, lease, or other acquisition of resi-
7 dential housing for purposes of this section as the Sec-
8 retary considers appropriate to expedite the opening and
9 operation of transitional housing and to protect the inter-
10 ests of the United States.

11 “(c) A residence or other facility may be operated as
12 transitional housing for veterans described in paragraphs
13 (1) and (2) of section 1710(a) of this title under the fol-
14 lowing conditions:

15 “(1) Only veterans described in those para-
16 graphs and a house manager may reside in the resi-
17 dence.

18 “(2) Each resident, other than the house man-
19 ager, shall be required to make payments that con-
20 tribute to covering the expenses of board and the
21 operational costs of the residence for the period of
22 residence in such housing.

23 “(3) In order to foster the therapeutic and re-
24 habilitative objectives of such housing (A) residents
25 shall be prohibited from using alcohol or any con-
26 trolled substance or item, (B) any resident violating

1 that prohibition may be expelled from the residence,
2 and (C) each resident shall agree to undergo drug
3 testing or such other measures as the Secretary shall
4 prescribe to ensure compliance with that prohibition.

5 “(4) In the establishment and operation of
6 housing under this section, the Secretary shall con-
7 sult with appropriate representatives of the commu-
8 nity in which the housing is established and shall
9 comply with zoning requirements, building permit
10 requirements, and other similar requirements appli-
11 cable to other real property used for similar pur-
12 poses in the community.

13 “(5) The residence shall meet State and com-
14 munity fire and safety requirements applicable to
15 other real property used for similar purposes in the
16 community in which the transitional housing is lo-
17 cated, but fire and safety requirements applicable to
18 buildings of the Federal Government shall not apply
19 to such property.

20 “(d) The Secretary shall prescribe the qualifications
21 for house managers for transitional housing units operated
22 under this section. The Secretary may provide for free
23 room and subsistence for house managers in addition to,
24 or instead of payment of, a fee for such services.

1 “(e)(1) The Secretary may operate as transitional
2 housing under this section—

3 “(A) any suitable residential property acquired
4 by the Secretary as the result of a default on a loan
5 made, guaranteed, or insured under chapter 37 of
6 this title;

7 “(B) any suitable space in a facility under the
8 jurisdiction of the Secretary that is no longer being
9 used (i) to provide acute hospital care, or (ii) as
10 housing for medical center employees; and

11 “(C) any other suitable residential property
12 purchased, leased, or otherwise acquired by the Sec-
13 retary.

14 “(2) In the case of any property referred to in para-
15 graph (1)(A), the Secretary shall—

16 “(A) transfer administrative jurisdiction over
17 such property within the Department from the Vet-
18 erans Benefits Administration to the Veterans
19 Health Administration; and

20 “(B) transfer from the General Post Fund of
21 the Department of Veterans Affairs to the appro-
22 priate revolving fund under chapter 37 of this title
23 an amount (not to exceed the amount the Secretary
24 paid for the property) representing the amount the
25 Secretary considers could be obtained by sale of such

1 property to a nonprofit organization or a State for
2 use as a shelter for homeless veterans.

3 “(3) In the case of any residential property obtained
4 by the Secretary from the Department of Housing and
5 Urban Development under this section, the amount paid
6 by the Secretary to that Department for that property
7 may not exceed the amount that the Secretary of Housing
8 and Urban Development would charge for the sale of that
9 property to a nonprofit organization or a State for use
10 as a shelter for homeless persons. Funds for such charge
11 shall be derived from the General Post Fund.

12 “(f) The Secretary shall prescribe—

13 “(1) a procedure for establishing reasonable
14 payment rates for persons residing in transitional
15 housing; and

16 “(2) appropriate limits on the period for which
17 such persons may reside in transitional housing.

18 “(g) The Secretary may dispose of any property ac-
19 quired for the purpose of this section. The proceeds of any
20 such disposal shall be credited to the General Post Fund
21 of the Department of Veterans Affairs.

22 “(h) Funds received by the Department under this
23 section shall be deposited in the General Post Fund. The
24 Secretary may distribute out of the fund such amounts
25 as necessary for the acquisition, management, mainte-

1 nance, and disposition of real property for the purpose of
2 carrying out such program. The Secretary shall manage
3 the operation of this section so as to ensure that expendi-
4 tures under this subsection for any fiscal year shall not
5 exceed by more than \$500,000 proceeds credited to the
6 General Post Fund under this section. The operation of
7 the program and funds received shall be separately ac-
8 counted for, and shall be stated in the documents accom-
9 panying the President's budget for each fiscal year.

10 **“§ 1773. Additional services at certain locations**

11 “(a) Subject to the availability of appropriations, the
12 Secretary shall operate a program under this section to
13 expand and improve the provision of benefits and services
14 by the Department to homeless veterans.

15 “(b) The program shall include the establishment of
16 not fewer than eight programs (in addition to any existing
17 programs providing similar services) at sites under the ju-
18 risdiction of the Secretary to be centers for the provision
19 of comprehensive services to homeless veterans. The serv-
20 ices to be provided at each site shall include a comprehen-
21 sive and coordinated array of those specialized services
22 which may be provided under existing law.

23 “(c) The program shall include the services of such
24 employees of the Veterans Benefits Administration as the
25 Secretary determines appropriate at sites under the juris-

1 diction of the Secretary at which services are provided to
2 homeless veterans.

3 **“§ 1774. Coordination with other agencies and orga-**
4 **nizations**

5 “(a) In assisting homeless veterans, the Secretary
6 shall coordinate with, and may provide services authorized
7 under this title in conjunction with, State and local gov-
8 ernments, other appropriate departments and agencies of
9 the Federal Government, and nongovernmental organiza-
10 tions.

11 “(b)(1) The Secretary shall require the director of
12 each medical center or the director of each regional bene-
13 fits office to make an assessment of the needs of homeless
14 veterans living within the area served by the medical cen-
15 ter or regional office, as the case may be.

16 “(2) Each such assessment shall be made in coordi-
17 nation with representatives of State and local govern-
18 ments, other appropriate departments and agencies of the
19 Federal Government, and nongovernmental organizations
20 that have experience working with homeless persons in
21 that area.

22 “(3) Each such assessment shall identify the needs
23 of homeless veterans with respect to the following:

24 “(A) Health care.

25 “(B) Education and training.

1 “(C) Employment.

2 “(D) Shelter.

3 “(E) Counseling.

4 “(F) Outreach services.

5 “(4) Each assessment shall also indicate the extent
6 to which the needs referred to in paragraph (3) are being
7 met adequately by the programs of the Department, of
8 other departments and agencies of the Federal Govern-
9 ment, of State and local governments, and of nongovern-
10 mental organizations.

11 “(5) Each assessment shall be carried out in accord-
12 ance with uniform procedures and guidelines prescribed
13 by the Secretary.

14 “(c) In furtherance of subsection (a), the Secretary
15 shall require the director of each medical center and the
16 director of each regional benefits office, in coordination
17 with representatives of State and local governments, other
18 Federal officials, and nongovernmental organizations that
19 have experience working with homeless persons in the
20 areas served by such facility or office, to—

21 “(1) develop a list of all public and private pro-
22 grams that provide assistance to homeless persons or
23 homeless veterans in the area concerned, together
24 with a description of the services offered by those
25 programs;

1 “(2) seek to encourage the development by the
2 representatives of such entities, in coordination with
3 the director, of a plan to coordinate among such
4 public and private programs the provision of services
5 to homeless veterans;

6 “(3) take appropriate action to meet, to the
7 maximum extent practicable through existing pro-
8 grams and available resources, the needs of homeless
9 veterans that are identified in the assessment con-
10 ducted under subsection (b); and

11 “(4) attempt to inform homeless veterans whose
12 needs the director cannot meet under paragraph (3)
13 of the services available to such veterans within the
14 area served by such center or office.”.

15 (b) CONFORMING AMENDMENTS.—(1) Section 1720A
16 of such title is amended—

17 (A) by striking out subsections (a), (e), (f), and
18 (g); and

19 (B) by redesignating subsections (b), (c), and
20 (d) as subsections (a), (b), and (c), respectively.

21 (2) The heading of such section is amended to read
22 as follows:

1 **“§ 1720A. Treatment and rehabilitative services for**
 2 **persons with drug or alcohol depend-**
 3 **ency”.**

4 (c) CONFORMING REPEALS.—The following provi-
 5 sions are repealed:

6 (1) Section 7 of Public Law 102–54 (38 U.S.C.
 7 1718 note).

8 (2) Section 107 of the Veterans’ Medical Pro-
 9 grams Amendments of 1992 (38 U.S.C. 527 note).

10 (3) Section 2 of the Homeless Veterans Com-
 11 prehensive Service Programs Act of 1992 (38 U.S.C.
 12 7721 note).

13 (d) CLERICAL AMENDMENTS.—The table of sections
 14 at the beginning of chapter 17 of such title is amended—

15 (1) by striking out the item relating to section
 16 1720A and inserting in lieu thereof the following:
 “1720A. Treatment and rehabilitative services for persons with drug or alcohol
 dependency.”; and

17 (2) by adding at the end the following:

“SUBCHAPTER VII—TREATMENT AND REHABILITATION FOR SERIOUSLY
 MENTALLY ILL AND HOMELESS VETERANS

“1771. General treatment.

“1772. Therapeutic housing.

“1773. Additional services at certain locations.

“1774. Coordination with other agencies and organizations.”.

18 **SEC. 3. EXTENSION OF HOMELESS VETERANS COMPREHEN-**
 19 **SIVE SERVICE GRANT PROGRAM.**

20 (a) EXTENSION FOR TWO FISCAL YEARS.—Sub-
 21 section (a)(2) of section 3 of the Homeless Veterans Com-

1 prehensive Service Programs Act of 1992 (38 U.S.C. 7721
 2 note) is amended by striking out “September 30, 1997”
 3 and inserting in lieu thereof “September 30, 1999”.

4 (b) REPEAL OF LIMITATION ON NUMBER OF
 5 PROJECTS.—Subsection (b)(2) of such section is amended
 6 by striking out “, which shall” and all that follows through
 7 “paragraph (1)”.

8 (c) TECHNICAL CORRECTION.—Subsection (a)(1) of
 9 such section is amended by striking out “, during”.

10 **SEC. 4. ANNUAL REPORT ON ASSISTANCE TO HOMELESS**
 11 **VETERANS.**

12 Section 1001 of the Veterans’ Benefits Improvements
 13 Act of 1994 (38 U.S.C. 7721 note) is amended—

14 (1) in subsection (a)(2)—

15 (A) by striking out “and” at the end of
 16 subparagraph (B);

17 (B) by striking out the period at the end
 18 of subparagraph (C) and inserting in lieu there-
 19 of “; and”; and

20 (C) by adding at the end the following new
 21 subparagraphs:

22 “(D) evaluate the effectiveness of the programs
 23 of the Department (including residential work-ther-
 24 apy programs, programs combining outreach, com-
 25 munity-based residential treatment, and case-man-

1 agement, and contract care programs for alcohol and
 2 drug-dependence or abuse disabilities) in providing
 3 assistance to homeless veterans; and

4 “(E) evaluate the effectiveness of programs es-
 5 tablished by recipients of grants under section 3 of
 6 the Homeless Veterans Comprehensive Service Pro-
 7 grams Act of 1992 (38 U.S.C. 7721 note), and de-
 8 scribe the experience of such entities in applying for
 9 and receiving grants from the Secretary of Housing
 10 and Urban Development to serve primarily homeless
 11 persons who are veterans.”; and

12 (2) by striking out subsection (b) and redesignig-
 13 nating subsection (c) as subsection (b).

14 **SEC. 5. NONINSTITUTIONAL ALTERNATIVES TO NURSING**
 15 **HOME CARE.**

16 Section 1720C of title 38, United States Code, is
 17 amended—

18 (1) in subsection (a), by striking out “During”
 19 and all that follows through “furnishing of” and in-
 20 serting in lieu thereof “The Secretary may furnish”;
 21 and

22 (2) in subsection (b)(1), by striking out “pilot”.

23 **SEC. 6. PERSIAN GULF WAR VETERANS.**

24 (a) SCOPE OF COUNSELING.—Section 703 of the Vet-
 25 erans Health Care Act of 1992 (Public Law 102–585; 106

1 Stat. 4976) is amended by adding at the end the following
2 new subsection:

3 “(c) FORM OF COUNSELING.—Counseling provided in
4 this section may not be provided through written materials
5 only, but shall include verbal counseling.”.

6 (b) CRITERIA FOR PRIORITY HEALTH CARE.—(1)
7 Subsection (a)(2)(F) of section 1710 of title 38, United
8 States Code, is amended by striking out “environmental
9 hazard” and inserting in lieu thereof “other conditions”.

10 (2) Subsection (e)(1)(C) of such section is amend-
11 ed—

12 (A) by striking out “the Secretary finds may
13 have been exposed while serving” and inserting in
14 lieu thereof “served”;

15 (B) by striking out “to a toxic substance or en-
16 vironmental hazard”; and

17 (C) by striking out “exposure” and inserting in
18 lieu thereof “service”.

19 (3) Subsection (e)(2)(B) of such section is amended
20 by striking out “an exposure” and inserting in lieu thereof
21 “the service”.

22 (c) DEMONSTRATION PROJECTS FOR TREATMENT OF
23 PERSIAN GULF ILLNESS.—(1) The Secretary shall carry
24 out a program of demonstration projects to test new ap-
25 proaches to treating, and improving the satisfaction with

1 such treatment of, Persian Gulf veterans who suffer from
2 undiagnosed and ill-defined disabilities. The program shall
3 be established not later than July 1, 1998, and shall be
4 carried out at up to 10 geographically dispersed medical
5 centers of the Department of Veterans Affairs.

6 (2) At least one of each of the following models shall
7 be used at no less than two of the demonstration projects:

8 (A) A specialized clinic which serves Persian
9 Gulf veterans.

10 (B) Multidisciplinary treatment aimed at man-
11 aging symptoms.

12 (C) Use of case managers.

13 (3) A demonstration project under this subsection
14 may be undertaken in conjunction with another funding
15 entity, including agreements under section 8111 of title
16 38, United States Code.

17 (4) The Secretary shall make available from appro-
18 priated funds (which have been retained for contingent
19 funding) \$5,000,000 to carry out the demonstrations
20 projects.

21 (5) The Secretary may not approve a medical center
22 as a location for a demonstration project under this sub-
23 section unless a peer review panel has determined that the
24 proposal submitted by that medical center is among those
25 proposals that have met the highest competitive standards

1 of clinical merit and the Secretary has determined that
2 the facility has the ability to—

3 (A) attract the participation of clinicians of out-
4 standing caliber and innovation to the project; and

5 (B) effectively evaluate the activities of the
6 project.

7 (6) In determining which medical centers to select as
8 locations for demonstration projects under this subsection,
9 the Secretary shall give special priority to medical centers
10 that have demonstrated a capability to compete success-
11 fully for extramural funding support for research into the
12 effectiveness and cost-effectiveness of the care provided
13 under the demonstration project.

14 **SEC. 7. PERSONNEL POLICY.**

15 Section 7425 of title 38, United States Code, is
16 amended by adding at the end the following new sub-
17 section:

18 “(c)(1) Notwithstanding any other provision of law,
19 employees described in paragraph (2), and the personnel
20 positions in which such employees are employed, are not
21 subject to any reduction required by law or executive
22 branch policy in the number or percentage of employees,
23 or of personnel positions, within specified pay grades.

1 “(2) Paragraph (1) applies to employees, and person-
 2 nel positions, of the Veterans Health Administration per-
 3 forming the following functions:

4 “(A) The provision of, or the supervision of the
 5 provision of, care and services to patients.

6 “(B) The conduct of research.”.

7 **SEC. 8. PURCHASES OF PHARMACEUTICAL PRODUCTS.**

8 Section 8125 of title 38, United States Code, is
 9 amended—

10 (1) by redesignating subsection (e) as sub-
 11 section (f); and

12 (2) by inserting after subsection (d) the follow-
 13 ing new subsection (e):

14 “(e)(1) A drug, pharmaceutical or biological product,
 15 or hematology-related product that is listed on the phar-
 16 maceutical supply schedule described in section 8126(a)
 17 of this title may only be procured or ordered from that
 18 supply schedule by or for any entity specified in paragraph
 19 (2), notwithstanding any other provision of law (whether
 20 enacted before, on, or after the date of the enactment of
 21 this subsection).

22 “(2) An entity specified in this paragraph is (A) any
 23 agency or instrumentality of the Federal Government, or
 24 (B) any other entity that is specified in Federal law or
 25 regulation, as in effect before July 1, 1997, as eligible to

1 procure or order drugs, pharmaceutical or biological prod-
 2 ucts, or hematology-related products from such pharma-
 3 ceutical supply schedule.”.

4 **SEC. 9. TECHNICAL AMENDMENTS.**

5 (a) SECTION CROSS REFERENCE.—Section
 6 1717(a)(2)(B) of title 38, United States Code, is amended
 7 by striking out “section 1710(a)(2)” and inserting in lieu
 8 thereof “section 1710(a)”.

9 (b) REFERENCES TO MEDICAL CENTERS.—(1) Para-
 10 graphs (1) and (11) of section 7802 of such title are
 11 amended by striking out “hospitals and homes” and in-
 12 serting in lieu thereof “medical facilities”.

13 (2) Section 7803 of such title is amended—

14 (A) by striking out “hospitals and homes” each
 15 place it appears and inserting in lieu thereof “medi-
 16 cal facilities”; and

17 (B) by striking out “hospital or home” both
 18 places it appears and inserting in lieu thereof “medi-
 19 cal facility”.

20 (c) NAME OF MEDICAL CENTER.—The Wm. Jen-
 21 nings Bryan Dorn Veterans’ Hospital in Columbia, South
 22 Carolina, shall hereafter be known and designated as the
 23 “Wm. Jennings Bryan Dorn Department of Veterans Af-
 24 fairs Medical Center”. Any reference to such hospital in
 25 any law, regulation, document, map, record, or other

1 paper of the United States shall be deemed to be a ref-
2 erence to the Wm. Jennings Bryan Dorn Department of
3 Veterans Affairs Medical Center.

Passed the House of Representatives October 6,
1997.

Attest:

ROBIN H. CARLE,
Clerk.